

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
SPECIAL MEETING

LOCATION: AS LISTED ON THE AGENDA

DATE: WEDNESDAY, JULY 1, 2009
5 P.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 84957

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM	DESCRIPTION	PAGE NO.
CALL TO ORDER		3
ROLL CALL		3
REPORT REGARDING ALTERNATIVES FOR ADEQUATE SUPPORT FOR THE BOARD AND DISCUSSION OF PROPOSED IMPLEMENTATION PLAN		5
CLOSED SESSION (NOT REPORTED)		23
REPORT OF ANY ACTION IN CLOSED SESSION		NONE
PUBLIC COMMENT		NONE

BARRISTERS' REPORTING SERVICE

1 WEDNESDAY, JULY 1, 2009; 5 P.M.

2

3 CHAIRMAN KLEIN: DR. TROUNSON.

4 DR. TROUNSON: I'M PRESENT.

5 CHAIRMAN KLEIN: OKAY. AND WHY DON'T WE
6 GO THROUGH AN ANNOUNCEMENT OF OTHER STAFF THAT IS
7 PRESENT, DR. TROUNSON.

8 MS. BAUM: ELONA BAUM.

9 MS. KING: ELONA BAUM IS HERE AND ALSO
10 ALEXANDRA CAMPE IS HERE.

11 CHAIRMAN KLEIN: OKAY. THANK YOU.

12 DR. TROUNSON: AND SCOTT TOCHER.

13 MS. KING: BOB, DID YOU MEAN OTHER STAFF
14 THAT MIGHT BE CALLED UPON FOR THE CALL, OR DO YOU
15 WANT US TO TELL YOU EVERYONE WHO'S IN THE ROOM? I'M
16 HAPPY TO DO THAT.

17 CHAIRMAN KLEIN: NO, JUST THE PEOPLE WHO
18 WOULD BE POTENTIALLY CALLED UPON FOR THE CALL. I
19 THINK WE'RE AT A POINT WHERE WE CAN DO A ROLL CALL.

20 MS. KING: SURE. ALL RIGHT. DONALD DAFOE
21 FOR RICARDO AZZIZ.

22 DR. DAFOE: PRESENT.

23 MS. KING: ROBERT PRICE FOR ROBERT
24 BIRGENEAU.

25 DR. PRICE: HERE.

BARRISTERS' REPORTING SERVICE

1 MS. KING: FLOYD BLOOM.
2 DR. BLOOM: HERE.
3 MS. KING: DAVID BRENNER.
4 DR. BRENNER: HERE.
5 MS. KING: MARSHA CHANDLER. MARCY FEIT.
6 MS. FEIT: HERE.
7 MS. KING: MICHAEL FRIEDMAN.
8 DR. FRIEDMAN: HERE.
9 MS. KING: LEEZA GIBBONS. MICHAEL
10 GOLDBERG. SAM HAWGOOD. BOB KLEIN.
11 CHAIRMAN KLEIN: HERE.
12 MS. KING: SHERRY LANSING.
13 MS. LANSING: HERE.
14 MS. KING: GERALD LEVEY.
15 DR. LEVEY: HERE.
16 MS. KING: TED LOVE.
17 DR. LOVE: HERE.
18 MS. KING: ED PENHOET. PHIL PIZZO.
19 DR. PIZZO: HERE.
20 MS. KING: CLAIRE POMEROY.
21 DR. POMEROY: HERE.
22 MS. KING: FRANCISCO PRIETO. ELIZABETH
23 FINI FOR CARMEN PULIAFITO. NOT YET WITH US. ROBERT
24 QUINT. JOHN REED. DUANE ROTH.
25 MR. ROTH: HERE.

BARRISTERS' REPORTING SERVICE

1 MS. KING: JOAN SAMUELSON.

2 MS. SAMUELSON: PRESENT.

3 MS. KING: DAVID SERRANO-SEWELL. JEFF
4 SHEEHY.

5 MR. SHEEHY: HERE.

6 MS. KING: JON SHESTACK. OSWALD STEWARD.
7 AND ART TORRES.

8 MR. TORRES: HERE.

9 CHAIRMAN KLEIN: OKAY. WHO JUST JOINED,
10 PLEASE? DID SOMEONE JUST JOIN?

11 SO WHAT I WOULD LIKE TO DO ON THE AGENDA
12 TODAY IS BEGIN WITH OUR FIRST ITEM OF BUSINESS WITH
13 STARTING WITH THE SUPPORT FOR THE BOARD AND
14 DISCUSSION OF THE IMPLEMENTATION PLAN.

15 AND I'D LIKE TO SAY THAT FROM THE
16 PERSPECTIVE OF THE CHAIRMAN'S OFFICE, I BELIEVE THAT
17 THIS PLAN WILL PROVIDE ENHANCED SUPPORT FOR THE
18 BOARD AND HOPEFULLY BE HIGHLY RESPONSIVE. I'D LIKE
19 TO THANK THE PRESIDENT FOR BEING VERY PROACTIVE IN
20 ADDRESSING THE ISSUES THAT WERE RAISED. AND I'D
21 LIKE TO CALL ON DR. TROUNSON TO PRESENT THAT PLAN
22 UNLESS HE'D LIKE SOMEONE ELSE TO DO THE
23 PRESENTATION.

24 MS. KING: HELLO. WHO JUST JOINED?

25 DR. STEWARD: THIS IS OS STEWARD.

BARRISTERS' REPORTING SERVICE

1 MS. KING: GREAT. THANK YOU, DR. STEWARD.

2 DR. TROUNSON: THANK YOU, CHAIR. AND YOU
3 SHOULD HAVE A COPY OF THE PROPOSED IMPLEMENTATION
4 PLAN TO ADDRESS ADEQUATE SUPPORT FOR THE BOARD AS WE
5 WERE REQUESTED AT THE LAST BOARD MEETING. THERE'S
6 TWO ITEMS IN ADDRESSING THAT. FIRST, APPOINTMENT OF
7 A FULL-TIME ADMINISTRATIVE ASSISTANT SUPPORTING ART
8 TORRES AS THE VICE CHAIRMAN OF THE ICOC. I'LL JUST
9 NOTE THIS POSITION WAS PREVIOUSLY PROPOSED AS A
10 PART-TIME OUTSOURCED APPOINTMENT TO BE SHARED WITH
11 MELISSA KING. AND THE KEY REQUIREMENTS OF THIS
12 POSITION ARE EXECUTIVE ASSISTANT TO THE VICE CHAIR
13 OF THE BOARD TO PROVIDE ADMINISTRATIVE SUPPORT ON A
14 DAILY BASIS TO ENSURE A SMOOTH RUNNING OFFICE, BE
15 RESPONSIBLE FOR HANDLING REQUESTS FOR THE VICE
16 CHAIRMAN, INCLUDING BUT NOT LIMITED TO SUPPORTING
17 WORK RELATED TO BOND FINANCING, GOVERNMENT
18 LEGISLATIVE EFFORTS, AND OTHER POLICY-RELATED
19 MATTERS, ORGANIZATION AND MAINTENANCE OF OFFICE
20 COMMUNICATION MATERIALS AND FILES FOR THE VICE
21 CHAIR, AND SUPPORTS ALL TRANSPORTATION AS RELATED TO
22 DOCUMENTS REQUIRED FOR THE VICE CHAIR AS REQUESTED
23 IN ACCORDANCE WITH REIMBURSEMENT REQUIREMENTS.

24 AN APPOINTMENT HAS BEEN RECOMMENDED AND A
25 PERSON HAS ACCEPTED THAT APPOINTMENT, AND THAT

BARRISTERS' REPORTING SERVICE

1 PERSON WILL START, I UNDERSTAND, NEXT WEEK. ART, IS
2 THAT CORRECT?

3 MS. KING: HE IS HERE TODAY, BUT HE WILL
4 START NEXT WEEK.

5 DR. TROUNSON: RIGHT.

6 CHAIRMAN KLEIN: AND MY UNDERSTANDING IS
7 THIS PERSON WILL ALSO SUPPORT -- BE ACTIVE SUPPORT
8 FOR THE GOVERNMENTAL AFFAIRS PERSON WHEN THEY'RE
9 THERE AND THE LEGISLATIVE COMMITTEE. AND GIVEN MY
10 PARTICULAR TIME SCHEDULE AND ART'S HISTORY IN
11 GOVERNMENT, I'VE ASKED ART TO TAKE OVER MY POSITION
12 AS CHAIR OF THE LEGISLATIVE COMMITTEE. SO THAT
13 PERSON WILL BE PROVIDING SUPPORT FOR THAT COMMITTEE
14 AS WELL.

15 DR. TROUNSON: OKAY. THANK YOU. THE
16 SECOND APPOINTMENT, FULL-TIME APPOINTMENT, WAS FOR
17 ADMINISTRATIVE ASSISTANT SUPPORTING MELISSA KING AS
18 THE EXECUTIVE DIRECTOR OF THE ICOC BOARD. KEY
19 REQUIREMENTS FOR THAT POSITION, EXECUTIVE,
20 ADMINISTRATIVE, AND PROJECT SUPPORT ON A DAILY BASIS
21 FOR THE REQUESTS AND WORKLOAD OF THE ICOC BOARD AS
22 COMMUNICATED BY THE EXECUTIVE DIRECTOR, POLICY
23 RESEARCH AND TO ASSEMBLE THE SUPPORTING DOCUMENTS AS
24 DIRECTED BY THE EXECUTIVE DIRECTOR, SUPPORT SPECIAL
25 PROJECTS AS DIRECTED BY THE EXECUTIVE DIRECTOR,

BARRISTERS' REPORTING SERVICE

1 ADMINISTRATIVE SUPPORT OF INDIVIDUAL BOARD MEMBERS
2 AS DIRECTED BY THE EXECUTIVE DIRECTOR, ORGANIZE AND
3 MAINTAIN OFFICE COMMUNICATION MATERIALS AND FILES
4 FOR THE ICOC BOARD, SUPPORT ALL TRAVEL
5 REIMBURSEMENT, PDM, AND RELATED DOCUMENTATION
6 REQUIRED FOR THE ICOC BOARD AS REQUESTED IN
7 ACCORDANCE WITH REIMBURSEMENT REQUIREMENTS, FOLLOW
8 UP ON ASSIGNMENTS, AND TRANSMIT INFORMATION CLEARLY
9 AND PROFESSIONALLY, AND TO KEEP THE EXECUTIVE
10 DIRECTOR INFORMED ABOUT RELEVANT ISSUES.

11 THAT APPOINTMENT AND THE FULL DUTY
12 STATEMENT HAS BEEN APPROVED BY MELISSA KING AND ALSO
13 BY THE CHAIR, AND YOU HAVE A COPY. I HOPE EVERYONE
14 HAS A COPY OF THE FULL STATEMENT FOR THAT POSITION.
15 AND THAT POSITION IS BEING POSTED. IT WOULD BE UPON
16 APPROVAL AFTER TODAY. OKAY. SO IT'S READY TO GO.

17 THIRDLY, BOTH APPOINTMENTS ARE EMPLOYEE
18 POSITIONS FOR THE LIMITED TERM THROUGH DECEMBER
19 2010. THESE POSITIONS ARE NOT DESIGNATED AS PART OF
20 THE LONG-TERM ALLOCATION OF 50 CIRM EMPLOYEE
21 POSITIONS, AND THEY BOTH HAVE AN END DATE OF
22 DECEMBER 31, 2010, WHEN WE UNDERSTAND BOTH THE CHAIR
23 AND THE VICE CHAIR POSITIONS WILL BE REDISCUSSED,
24 RENEGOTIATED, REAPPOINTED.

25 CHAIRMAN KLEIN: I'D LIKE TO SAY, ALAN,

BARRISTERS' REPORTING SERVICE

1 THE THOUGHT IS AS WELL THAT BY THAT TIMEFRAME
2 HOPEFULLY THERE WILL BE -- THE LOAN PROGRAM WILL BE
3 OF GREATER SCALE AND THERE WILL BE POTENTIALLY A
4 LOAN GUARANTEE PROGRAM IN PLACE WITH THE BANKS. THE
5 INTENT IS TO WORK OUT A FUNDING MECHANISM THAT GOES
6 BEYOND THE STATE TAXPAYER THAT COULD POTENTIALLY
7 THEN SUPPORT THESE EMPLOYEES BASED ON THE NEEDS OF
8 THE BOARD CHAIR AND THE VICE CHAIR THAT ARE ELECTED
9 AT THE TIME WHEN THESE APPOINTMENTS TURN OVER IN
10 DECEMBER OF 2010.

11 SO WE'RE -- WE RECOGNIZE AS WE MOVE DOWN
12 TO CLINICAL TRIALS AND VERY HEAVY CASELOAD OF
13 DISEASE TEAMS AND TRANSLATIONAL WORK THAT THERE
14 NEEDS TO BE MORE SCIENCE OFFICERS, AND SO THERE WILL
15 BE A FOCUSED EFFORT TO TRY AND FIND ADDITIONAL
16 OUTSIDE FUNDING FOR THESE POSITIONS SO THAT
17 ADDITIONAL SCIENCE OFFICERS CAN BE APPOINTED AT THAT
18 TIME.

19 MS. KING: CAN I JUST ASK FOR THE RECORD
20 IF THERE ARE ANY BOARD MEMBERS THAT HAVE JOINED THE
21 CALL SINCE THE ROLL CALL? COULD YOU PLEASE IDENTIFY
22 YOURSELVES?

23 DR. BRYANT: YES. SUE BRYANT, IRVINE.

24 MS. KING: THANKS. DR. BRYANT. ANYBODY
25 ELSE?

BARRISTERS' REPORTING SERVICE

1 DR. BIRGENEAU: YEAH. BOB BIRGENEAU, UC
2 BERKELEY.

3 MS. KING: THANKS, DR. BIRGENEAU. ANYONE
4 ELSE?

5 DR. PRIETO: YES. FRANCISCO PRIETO.

6 MS. KING: HELLO, DR. PRIETO. THANK YOU.
7 AND ANYBODY ELSE?

8 DR. HAWGOOD: SAM HAWGOOD FROM UCSF.

9 MS. KING: EXCELLENT. THANK YOU, DR.
10 HAWGOOD. AND, CHAIRMAN KLEIN, WE DO NOW HAVE A
11 QUORUM.

12 CHAIRMAN KLEIN: THANK YOU VERY MUCH. SO
13 AS THE DISCUSSION HERE IN THE PUBLIC MEETING, WE'VE
14 BEEN PRESENTED WITH AN IMPLEMENTATION PLAN TO COVER
15 THE NEEDS THAT WERE IDENTIFIED. I'D LIKE TO POINT
16 OUT THAT DR. TROUNSON REACHED OUT TO ALL BOARD
17 MEMBERS FOR COMMENTS ON NEEDS TO TRY AND SURVEY THEM
18 TO MAKE SURE BOARD NEEDS WERE BEING MET. AND I FEEL
19 CONFIDENT THAT THE SOLUTION THAT HE HAS PROPOSED AND
20 IS IN THE PROCESS OF BEING IMPLEMENTED WILL PROVIDE
21 ENHANCED LEVELS OF SUPPORT FOR ALL OF THE FUNCTIONS,
22 AND IT WILL PROVIDE A VERY EFFECTIVE RESPONSE TO THE
23 POINTS THAT WERE RAISED.

24 I'D LIKE TO OPEN THIS TO DISCUSSION. IF I
25 COULD START WITH SAN DIEGO AND ASK IN SAN DIEGO ARE

BARRISTERS' REPORTING SERVICE

1 THERE ANY COMMENTS ON THIS?

2 DR. BRENNER: NO, NONE. THANK YOU.

3 MR. BLOOM: BOB, I SUPPORT IT.

4 CHAIRMAN KLEIN: ALL RIGHT. AND DR. LEVEY
5 IN LOS ANGELES.

6 DR. LEVEY: EVERYTHING IS FINE HERE.

7 CHAIRMAN KLEIN: SHERRY LANSING. IS
8 SHERRY ON? SHE WAS ON A MINUTE AGO.

9 MS. KING: SHE MAY BE MUTED.

10 CHAIRMAN KLEIN: IS DR. FRIEDMAN.

11 DR. FRIEDMAN: NO COMMENTS. THANK YOU.

12 CHAIRMAN KLEIN: OKAY. IS THERE -- GOING
13 UP, I DON'T HAVE THE LIST OF ALL THE MEETING SITES.
14 SO, MELISSA, GOING UP THE STATE, WHERE IS THE NEXT
15 MEETING SITE?

16 MS. KING: WHY DON'T WE JUST GO THROUGH
17 THE NAMES AND THE PEOPLE THAT ARE ON THE CALL. I
18 THINK THAT MIGHT BE AN EASIER WAY TO HANDLE IT.

19 CHAIRMAN KLEIN: ALL RIGHT.

20 MS. KING: SO, DR. DAFOE, DID YOU HAVE ANY
21 QUESTIONS OR COMMENTS?

22 DR. DAFOE: NO.

23 MS. KING: ALL RIGHT. HOW ABOUT
24 DR. BIRGENEAU?

25 MS. KING: ALL RIGHT. DR. BLOOM AND

BARRISTERS' REPORTING SERVICE

1 DR. BRENNER WE ALREADY HEARD FROM. HOW ABOUT DR.
2 BRYANT?

3 DR. BRYANT: NO, I DON'T HAVE ANY COMMENTS
4 AT THIS TIME.

5 MS. KING: HOW ABOUT MARCY FEIT?

6 MS. FEIT: NO.

7 MS. KING: ALL RIGHT. DR. FRIEDMAN WE'VE
8 HEARD FROM. DR. HAWGOOD, DO YOU HAVE ANY QUESTIONS
9 OR COMMENTS?

10 DR. HAWGOOD: NO QUESTIONS.

11 MS. KING: BOB, ANY QUESTIONS OR FURTHER
12 COMMENTS FROM YOU?

13 CHAIRMAN KLEIN: NO.

14 MS. KING: SHERRY. DR. LEVEY?

15 DR. LEVEY: NO.

16 MS. KING: DR. LOVE?

17 DR. LOVE: I'M SUPPORTIVE. I HAVE NO
18 QUESTIONS.

19 MS. KING: ALL RIGHT. DR. PIZZO?

20 DR. PIZZO: FINE.

21 MS. KING: DR. POMEROY?

22 DR. POMEROY: NO COMMENTS.

23 MS. KING: DR. PRIETO?

24 DR. PRIETO: I JUST HAD A QUESTION, AND
25 MAYBE I MISSED THE FIRST PART OF THIS, BUT WHY DOES

BARRISTERS' REPORTING SERVICE

1 THE TERM "EMPLOYEE APPOINTMENT" HAVE TO END AT THE
2 END OF 2010?

3 CHAIRMAN KLEIN: WHAT THERE IS THERE IS
4 THAT WE'RE TRYING TO WORK ON A TRANSITION THAT LOOKS
5 AT THE TOTAL STAFFING WITHIN THE CAP. OBVIOUSLY BY
6 THAT TIME THERE MAY BE A LEGISLATIVE AMENDMENT TO
7 THAT CAP OR ENHANCEMENT, OR THERE COULD BE SEPARATE
8 SOURCE OF FUNDS TO DEAL WITH ADMINISTRATIVE SUPPORT
9 THAT IS NOT STATE TAXPAYER FUNDS AND IS OUTSIDE THE
10 50. BUT THE GOAL IS THAT BY THAT DATE TO BE ABLE TO
11 ADD ADDITIONAL SCIENTIFIC OFFICERS BECAUSE OF THE
12 HEAVY WORKLOAD OF DISEASE TEAM AND TRANSLATIONAL
13 WORK AND CLINICAL WORK.

14 AND WE ALSO HAVE AN OPTION OF PICKING UP
15 PART OF THIS OUTSIDE SUPPORT ON CONTRACT POSITIONS
16 AT THAT TIME, BUT WE HAVE 18 MONTHS, WHICH IS A
17 RELATIVELY SOLID LEAD-TIME, TO WORK ON OUR
18 ALTERNATIVE SOLUTIONS. THE INTENT IS TO CONTINUE
19 THE SUPPORT FOR THE BOARD, BUT FIND ANOTHER FUNDING
20 SOURCE, GET RELIEF FROM THE CAP, OR HANDLE IT ON A
21 CONTRACT BASIS AT THAT TIME TO ACCOMMODATE TWO
22 ADDITIONAL SCIENCE OFFICERS.

23 DR. PRIETO: SO THIS IS NOT ON A CONTRACT
24 BASIS, BUT IT IS OUTSIDE THE CAP?

25 CHAIRMAN KLEIN: RIGHT NOW IT IS ON A

BARRISTERS' REPORTING SERVICE

1 STRAIGHT EMPLOYEE BASIS WITHIN THE CAP.

2 DR. PRIETO: OH, OKAY. ALL RIGHT.

3 CHAIRMAN KLEIN: AND THE INTENT IS THAT
4 WITHIN 18 MONTHS BE ABLE TO IDENTIFY A FUNDING
5 SOURCE THAT WOULD SUPPORT IT OUTSIDE THE CAP OR HAVE
6 THE CAP AMENDED.

7 DR. PRIETO: GOT YOU. OKAY. THANK YOU.

8 CHAIRMAN KLEIN: SO --

9 MS. KING: LET ME KEEP GOING DOWN THE
10 LIST. I JUST WANT TO CHECK. HAS DR. ELIZABETH FINI
11 BEEN ABLE TO JOIN THE CALL? OKAY. DUANE ROTH, DO
12 YOU HAVE ANY QUESTIONS OR COMMENTS?

13 MR. ROTH: NO COMMENTS.

14 MS. LANSING: THIS IS SHERRY LANSING. I
15 HAD TO GET OFF TO DO THE CONFLICT I HAD, BUT I
16 ACTUALLY DIDN'T HAVE ANY QUESTIONS.

17 MS. KING: OKAY. GREAT, SHERRY. SO
18 THANKS. NOW I DON'T NEED TO CIRCLE BACK TO YOU AT
19 THE END.

20 JOAN SAMUELSON, DO YOU HAVE ANY QUESTIONS
21 OR COMMENTS?

22 MS. SAMUELSON: QUICK QUESTION FOR BOB OR
23 PERHAPS ALAN. BOB, SHOULD WE MAKE THIS EXPLICIT, OR
24 DOES THIS DISCUSSION DO THAT JUST SO THAT THERE
25 WOULDN'T BE AN INFERENCE THAT WE'RE ASSUMING THAT

BARRISTERS' REPORTING SERVICE

1 THE POSITIONS DISAPPEAR AT THE END OF 2010?

2 CHAIRMAN KLEIN: SURE. THIS TRANSCRIPT
3 WILL BE PART OF THE RECORD.

4 MS. SAMUELSON: OKAY. AND I GUESS MY
5 OTHER COMMENT IS SIMPLY THANK YOU AND ALAN IN
6 PARTICULAR FOR SPEEDY WORK AND YOUR OUTREACH AND
7 WHAT APPEARS TO BE A VERY SATISFACTORY CONCLUSION.
8 I'M VERY APPRECIATIVE.

9 DR. TROUNSON: THANKS, JOAN.

10 MS. KING: WAS DAVID SERRANO-SEWELL ABLE
11 TO JOIN? I KNOW HE WAS GOING TO BE A LITTLE LATE.
12 JUST CHECKING. ALL RIGHT. JEFF SHEEHY, ANY
13 QUESTIONS OR COMMENTS FROM YOU?

14 MR. SHEEHY: JUST A COMMENT. I MEAN I SEE
15 THE SOLUTION, BUT I PERSONALLY THINK THAT THE -- WE
16 SHOULD BE ABLE TO -- THE BOARD IS NOT ALL GOING TO
17 DISAPPEAR IN 2010. THERE SHOULD BE A CLEARLY STATED
18 AIM OF A MINIMUM EXECUTIVE DIRECTOR WITH AN
19 ADMINISTRATIVE ASSISTANT TO SUPPORT THE BOARD. I
20 MEAN ARE WE GOING TO FIRE THIS PERSON? WHAT HAPPENS
21 TO THAT PERSON WHO'S BEEN A STATE EMPLOYEE 18 MONTHS
22 FROM NOW?

23 CHAIRMAN KLEIN: JEFF, OUR INTENT IS TO
24 MAKE SURE THAT WE CAN CONTINUE TO SUPPORT. WE JUST
25 ARE TRYING TO LOOK DOWNSTREAM AND RECOGNIZE

BARRISTERS' REPORTING SERVICE

1 ADDITIONAL SCIENTIFIC STAFFING NEEDS AND KNOW THAT
2 WE HAVE A FINANCIAL GOAL TO ADDRESS THIS NEED
3 THROUGH AN ADDITIONAL SOURCE OF FINANCING AND/OR
4 GETTING RELIEF FROM THE CAP TO ADDRESS THE GOAL. SO
5 WE KNOW THAT WE HAVE A CONTINUING NEED, BUT WE ALSO
6 WANT THE SCIENTIFIC STAFF TO KNOW THAT WE'RE GOING
7 TO TAKE VERY SERIOUSLY THEIR NEEDS FOR ADDITIONAL
8 SPECIALISTS AT THAT TIME, AND WE HAVE A SPECIFIC
9 GOAL TO ACCOMPLISH THAT.

10 THIS RECORD, THE TRANSCRIPT, IS PROVIDING
11 A GOOD DISCUSSION OF THAT AS AN ACKNOWLEDGEMENT OF
12 THE CONTINUING NEED TO PROVIDE THAT SUPPORT.

13 MR. SERRANO-SEWELL: BOB, THIS IS DAVID
14 SERRANO-SEWELL. I JUST JOINED IN. AND WHILE I DO
15 SHARE JEFF'S CONCERNS, I WANT TO GO DOWN AS VOTING
16 YES.

17 MR. SHESTACK: JON SHESTACK. SORRY I'M
18 LATE.

19 CHAIRMAN KLEIN: OKAY. THANK YOU, JON.
20 AND JON, WE HAVE JUST GONE THROUGH THE STAFFING
21 SOLUTION WHICH APPEARS TO BE VERY EFFECTIVE. AND
22 JOAN MADE SOME VERY NICE COMMENTS THANKING DR.
23 TROUNSON FOR HIS QUICK WORK HERE. BUT WE'VE GONE
24 THROUGH A LIST HERE --

25 MS. KING: WE HAVE A COUPLE MORE PEOPLE

BARRISTERS' REPORTING SERVICE

1 THAT WE NEED TO GET TO, BOB. SO DR. STEWARD, DO YOU
2 HAVE ANY QUESTIONS OR COMMENTS?

3 DR. STEWARD: NO QUESTIONS.

4 MS. KING: DAVID SAID THAT HE WAS
5 SUPPORTIVE.

6 CHAIRMAN KLEIN: OKAY.

7 MS. KING: AND ART TORRES, DO YOU HAVE ANY
8 QUESTIONS OR COMMENTS?

9 MR. TORRES: NO.

10 MS. KING: OKAY. AND JON, SINCE YOU JUST
11 JOINED, BUT HOPEFULLY YOU HAVE THE DOCUMENTS IN
12 FRONT OF YOU. WE DID JUST GO THROUGH THAT EXERCISE
13 OF HAVING MEMBERS STATE ANY QUESTIONS OR COMMENTS
14 THAT THEY HAD. SO IF YOU HAVE ANY, NOW WOULD BE A
15 GOOD TIME FOR YOU TO SHARE THOSE.

16 MR. SHESTACK: NO, I DON'T RIGHT NOW.

17 CHAIRMAN KLEIN: OKAY. SO LET ME ASK,
18 COUNSEL.

19 MR. HARRISON: YES.

20 CHAIRMAN KLEIN: DO WE NEED A RESOLUTION,
21 OR DID WE LEAVE IT AT THE LAST MEETING THAT THERE
22 WOULD BE THE IMPLEMENTATION PLAN THAT WOULD BE
23 PRESENTED; AND IF IT WERE AN ACCEPTABLE PLAN, WE
24 COULD JUST GO FORWARD WITH THAT PLAN? DO WE NEED A
25 FORMAL RESOLUTION TO ADOPT?

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: YOU DO NOT. THIS PLAN
2 COULD BE IMPLEMENTED BY STAFF. BUT IF YOU PREFER TO
3 HAVE A MOTION, YOU CAN DO THAT AS WELL.

4 CHAIRMAN KLEIN: THANK YOU. FOR THE
5 RECORD, WOULD SOMEONE LIKE TO MAKE A MOTION TO --

6 MR. ROTH: BOB, IT'S DUANE ROTH.

7 CHAIRMAN KLEIN: OKAY.

8 MR. ROTH: BEFORE WE DO THIS, I'M NOT SURE
9 THIS IS THE RIGHT PRECEDENT FOR POSITIONS LIKE THIS.
10 THIS IS AN UNUSUAL CIRCUMSTANCE THAT CAME UP AT A
11 BOARD MEETING, BUT I DON'T THINK WE SHOULD BE
12 INDIVIDUALLY APPROVING POSITIONS. THESE ARE ALAN'S
13 DECISIONS. SO THAT WOULD BE MY THOUGHT, THAT WE NOT
14 TAKE A VOTE ON THIS.

15 CHAIRMAN KLEIN: WELL, I'M COMFORTABLE
16 WITH WHATEVER THE BOARD WOULD LIKE TO DO HERE. I
17 WANT TO EXPRESS APPRECIATION AS JOAN HAS FOR ALAN
18 WORKING VERY QUICKLY TO BE RESPONSIVE.

19 THE REASON I ASKED COUNSEL IS I THINK, AS
20 COUNSEL HAS RESPONDED, THIS IMPLEMENTATION PLAN IS
21 BEFORE US. IT APPEARS TO HAVE BEEN A VERY
22 SATISFACTORY AND VERY APPRECIATED RESPONSE AND WE
23 DON'T REALLY NEED A RESOLUTION. I'M JUST TRYING TO
24 GET THE SENSE OF THE BOARD.

25 DR. LOVE: BOB, I WOULD AGREE WITH WHAT

BARRISTERS' REPORTING SERVICE

1 DUANE JUST SAID. I THINK THAT A PROBLEM WAS
2 IDENTIFIED. WE'VE COME UP WITH A VERY SATISFACTORY
3 SOLUTION, BUT I'M NOT SURE IF WE WOULD NEED TO DO
4 THE EXTRAORDINARY EFFORT OF MAKING A MOTION AND
5 APPROVING OF ONE IS NOT REQUIRED.

6 CHAIRMAN KLEIN: THAT'S FINE. SO --

7 MS. SAMUELSON: ONE COMMENT, BOB.

8 CHAIRMAN KLEIN: YES.

9 MS. SAMUELSON: JOAN SAMUELSON. I'M
10 WONDERING WHETHER, NOT THAT WE WOULD NECESSARILY
11 WANT TO APPROVE AN INDIVIDUAL PERSONNEL DECISION,
12 BUT THAT AS A POLICY MATTER, IT'S IMPORTANT TO THE
13 BOARD THAT WE RECOGNIZE THE STAFF SUPPORT
14 NECESSITIES THAT GO ALONG WITH THE POSITIONS ON THE
15 BOARD AND KEY ADMINISTRATIVE STAFF TO FUNCTION, TO
16 IMPLEMENT OUR MISSION.

17 MR. SHESTACK: IF IT DOESN'T WORK OUT
18 SATISFACTORILY, ALWAYS COME BACK AND MAKE A
19 RESOLUTION. I WOULDN'T GIVE UP ANY RIGHT TO MAKE UP
20 A RESOLUTION ON IT TO ADVOCATES TO STIPULATE.

21 MR. SHEEHY: THIS IS JEFF SHEEHY. I HAVE
22 A PROBLEM WITH THIS ASSUMPTION. TO ME THE ISSUE
23 REALLY IS WHAT IS -- I DON'T THINK WE'RE
24 MICROMANAGING THE PRESIDENT IF THE BOARD DECIDES A
25 MINIMUM LEVEL OF STAFFING TO SUPPORT THE BOARD.

BARRISTERS' REPORTING SERVICE

1 NOW, IF THE BOARD DOESN'T WANT TO SUGGEST THAT
2 THERE'S A MINIMUM LEVEL OF STAFFING TO SUPPORT IT,
3 THEN THAT'S FINE. BUT I PERSONALLY DON'T THINK ONE
4 PERSON DEDICATED TO THE BOARD IS ADEQUATE STAFFING
5 FOR A 29-MEMBER BOARD OVERSEEING A \$3 BILLION
6 EVENTUALLY SPENDING AGENCY.

7 SO, YOU KNOW, IT'S JUST A QUESTION. YOU
8 KNOW, I'VE NOT ACCEPTED THIS PRINCIPLE THAT THERE'S
9 SOME NEED BASIS DRIVING THAT WHEN IT REALLY IS
10 ABOUT, WHICH I THINK DR. AZZIZ SPOKE TO AT THE LAST
11 MEETING, WHAT IS THE ADEQUATE LEVEL OF STAFFING?
12 WHAT IS THE LEVEL OF STAFFING THAT THE BOARD SHOULD
13 HAVE IN PLACE TO SUPPORT IT?

14 CHAIRMAN KLEIN: SO JEFF --

15 MR. SHEEHY: SO, YOU KNOW, I REALLY DON'T
16 GET THIS MICROMANAGING THING. IF THE BOARD CAN'T
17 EVEN SUGGEST AN APPROPRIATE LEVEL OF STAFFING TO
18 SUPPORT IT, THEN I DON'T KNOW THAT THE BOARD IS
19 REALLY IN CONTROL OF THIS AGENCY.

20 CHAIRMAN KLEIN: SO, JEFF, I THINK THAT,
21 IN FACT, YOUR SUGGESTION WAS ACCEPTED AND, IN FACT,
22 IS BEING IMPLEMENTED. SO THERE IS A CONSENTUAL
23 ACCEPTANCE OF THIS STAFFING AND THE ADDITIONAL
24 SUPPORT STAFF FOR MELISSA AS BEING A VERY EFFECTIVE
25 AND IMPORTANT CONTRIBUTION TO THE BOARD'S FUNCTION.

BARRISTERS' REPORTING SERVICE

1 AND I THINK THAT THE ONLY QUESTION IS WHETHER WE
2 NEED A FORMAL RESOLUTION HERE BECAUSE IT SEEMS TO BE
3 SOMETHING THAT HAS BEEN APPROVED. AND I THINK
4 PERHAPS IF THERE WERE A RESOLUTION, IT WOULD
5 OTHERWISE JUST ADDRESS THE FACT THAT THERE'S A
6 CONCEPT THAT THE BOARD NEEDS THIS ADDITIONAL STAFF.
7 THE POINT BEING MADE IS SINCE IT HAS, IN FACT, BEEN
8 ACCEPTED AS A CONSENSUS AND THEY'RE MOVING TO
9 IMPLEMENT, DO WE REALLY NEED TO GO THAT ADDITIONAL
10 FORMAL STEP?

11 DR. PRIETO: I GUESS I SORT OF ADDRESS
12 THIS TO JEFF. I WASN'T PART OF THE ORIGINAL
13 DISCUSSION AT THE LAST BOARD MEETING, BUT I GATHER
14 THAT THIS ISSUE THAT WE'RE ALL FAMILIAR WITH, AT
15 LEAST ALL OF US CERTAINLY ON THE ADVOCATE SIDE OF
16 THINGS ARE FAMILIAR WITH, CAME UP. AND THIS WAS A
17 RESPONSE TO THAT. I THINK IT'S APPROPRIATE THAT THE
18 PRESIDENT BROUGHT THIS BACK TO US, AND I CERTAINLY
19 APPRECIATE IT, BUT I DON'T SEE THE NEED TO VOTE ON
20 THE INDIVIDUAL POSITION. YOU KNOW, A PROBLEM WAS
21 IDENTIFIED, BROUGHT TO THE PRESIDENT, HE CAME BACK
22 WITH WHAT SOUNDS TO ME LIKE AN APPROPRIATE RESPONSE.
23 I'M SATISFIED WITH HIM JUST REPORTING BACK TO US.

24 CHAIRMAN KLEIN: SO JUST TO RESOLVE THIS
25 BECAUSE WE NEED TO MOVE TO AN EXECUTIVE SESSION, IF

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1 THERE'S A MOTION AND A SECOND, WE WILL DO IT
2 FORMALLY; BUT IF THERE'S NOT, WE'LL MOVE FORWARD.
3 SO I'D JUST ASK IS THERE A MOTION? HEARING NO
4 MOTION, I'D LIKE TO THANK THE STAFF AND I'D LIKE TO
5 THANK YOU, JEFF, FOR ADDRESSING THE NEED TO MAKE
6 SURE THAT THE BOARD IS EFFECTIVELY STAFFED. WE KNOW
7 THAT MELISSA HAS ALWAYS DONE HEROIC DUTY, INCLUDING
8 DURING THE CRITICAL INITIAL LITIGATION STAGE, AND
9 I'D LIKE JUST TO FORMALLY ON BEHALF OF THE BOARD
10 THANK MELISSA FOR HER TREMENDOUS DEDICATION.

11 MS. LANSING: HERE. HERE.

12 CHAIRMAN KLEIN: WHAT I'D LIKE TO DO IS
13 MOVE TO THE EXECUTIVE SESSION BECAUSE WE HAVE
14 LIMITED TIME FOR EVERYONE'S PARTICIPATION.

15 MS. KING: DOES EVERYBODY ON THE CALL, IF
16 YOU DO HAVE -- YES, THANK YOU VERY MUCH, BOB. DOES
17 EVERYBODY ON THE CALL HAVE THE DIAL-IN FOR THE
18 CLOSED SESSION? IF YOU DON'T, GIVE ME A CALL ON MY
19 CELL PHONE AND I WILL GET IT TO YOU. WE'RE NOW
20 GOING TO HANG UP.

21 MR. HARRISON: BOB, JUST FOR THE RECORD,
22 WE'LL BE CONVENING IN CLOSED SESSION PURSUANT TO
23 GOVERNMENT CODE SECTION 11126(A) AND HEALTH AND
24 SAFETY CODE SECTION 125290.30(D)(3)(D).

25 CHAIRMAN KLEIN: WE WILL RECONVENE TO

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1 REPORT ANY ACTIONS.

2 (THE BOARD THEN MET IN CLOSED
3 SESSION, NOT REPORTED NOR HEREIN TRANSCRIBED. THE
4 BOARD THEN RECONVENED IN OPEN SESSION AS FOLLOWS:)

5 CHAIRMAN KLEIN: SO I'D LIKE TO REPORT
6 THAT THERE IS NO ACTION TO BE TAKEN. AND I'D LIKE
7 TO ALSO SAY JUST AS AN UPCOMING EVENT, THAT ART
8 TORRES WILL BE ANNOUNCING IN THE NEAR FUTURE --
9 WE'VE GOT A LOT OF FEEDBACK FROM THE CALL-IN NUMBER.
10 BUT I'D LIKE TO SAY THAT ART TORRES WILL BE
11 ANNOUNCING A FUTURE PUBLIC LEGISLATIVE SESSION ON
12 THE LITTLE HOOVER COMMISSION REPORT.

13 AND WITH THAT, I DECLARE THE MEETING
14 ADJOURNED UNLESS THERE IS SOME SPECIFIC PUBLIC
15 COMMENT. I DON'T HEAR ANY PUBLIC COMMENT FROM ANY
16 LOCATION; THEREFORE, I WOULD ADJOURN THE MEETING AND
17 I THANK YOU.

18 (THE MEETING WAS THEN ADJOURNED AT
19 6:27 P.M.)

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21
22
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24
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REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE TELEPHONIC PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS SPECIAL MEETING HELD ON WEDNESDAY, JULY 1, 2009, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152
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